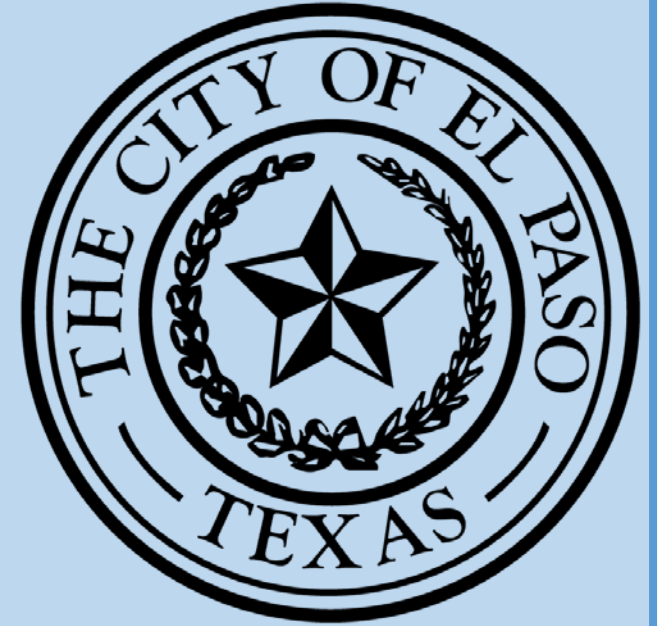


Sound Governance & Continuous Improvement

October 16, 2018



POWER IN THE VISION

Agenda

- Cost Savings/Efficiencies
- Fiscal Management
- Continuous Improvement
- Results

Cost Savings/Efficiencies Since 2014

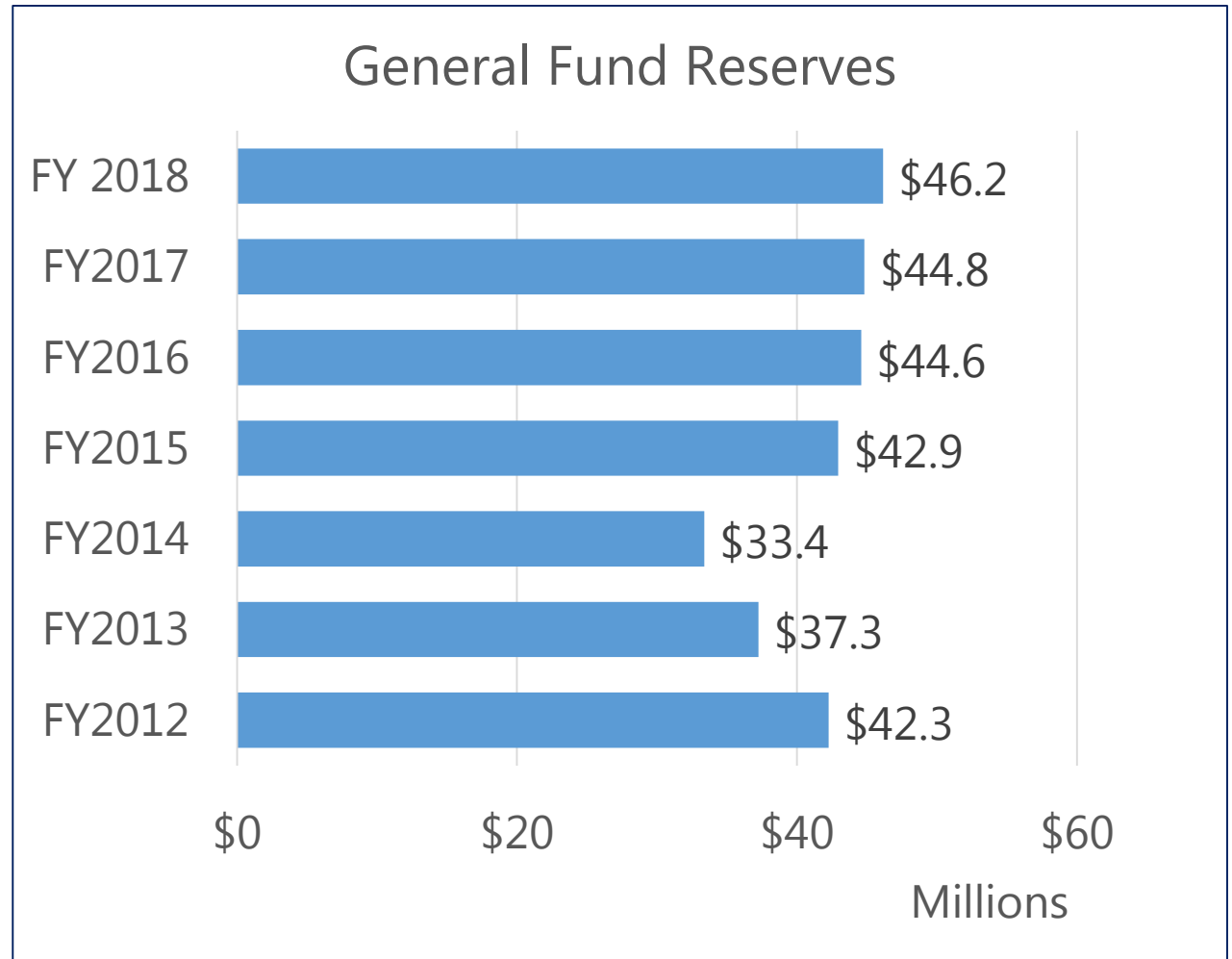
Description	Amount
Increase in general fund reserves (fund balance)	\$12.7 million
Refinancing Debt	\$27.9 million
Costs saved, avoided or secured through Lean Six Sigma process (includes funding for International Bridges)	\$37.5 million
State funding for new initiatives (includes Streetcar and DEAAG only)	\$99.0 million
Organizational efficiencies HOT Audit, Organizational alignments, and Healthcare redesign	\$8.9 million
TOTAL	\$186.0 million

Cost Savings/Efficiencies Since 2014

- \$8 million deficit eliminated in 2014
- \$3.4 million saved from organizational alignments
- \$3.3 million saved from healthcare plan redesign
- \$16.9 million saved from City debt refinancing
- \$11.0 million saved from Ballpark debt refinancing
- \$5.4 million in costs saved or avoided through Lean Six Sigma process improvements

Reserves (Fund Balance)

- Increased reserves by \$12.7 million over the last four years
- Reserves had decreased by \$8.9 million from 2012 – 2014



Fiscal Management

- Develop realistic budget that focuses on core services and priorities
- Create dedicated sources of revenue for streets and economic development
- Transforming service delivery through LSS program (cost savings and efficiencies)
- Continuing focus on improving financial reporting (internal and external audits)
- Leveraging alternative sources of revenue
- Long-term financial plan presented as part of the budget process

Continuous Improvement – Lean Six Sigma

White Belts Trained:	50
Yellow Belts Trained:	75
Green Belts Trained:	46
Employee Project Participation:	400+
LSS Projects Completed:	34
LSS Projects In-Progress:	11
Cost Avoided:	\$2.3 Million
Cost Savings:	\$3.2 Million
New Funding Secured:	\$32 Million
Hours Saved:	85,028



Continuous Improvement – Lean Six Sigma

Continuous Results

\$5.4M+

COST AVOIDANCE &
SAVINGS

85K+

PROCESS HOURS SAVED &
CAPACITY ADDED

\$32M+

NEW FUNDING SECURED

INTEGRATE

IMPROVING SERVICE DELIVERY

**1.5 DAYS TO
1.62 HOURS**

Decreased work order
process time at Airport
warehouse

INCREASE IN
POTHOLE
PATCHING

40%

**16 DAYS TO
1 HOUR OR
LESS**

Reduction in issuing a
Parks permit

INNOVATE

PURSUING INNOVATION



\$2.6M+

Information
Technology cost
avoidance & savings



\$651,604

Streets &
Maintenance cost
avoidance & savings



\$570,000

Phone connect-to-
disconnect project
savings



\$419,354

Reduction in
overtime project
cost avoidance



\$451,249

Fire Department
cost avoidance &
savings



\$201,031

Police Department
cost avoidance &
savings



\$408,534

Return to work
project cost
avoidance



\$394,214

Zoning inspection
case project cost
avoidance

Continuous Improvement – Governor's Achievement Award

- This recognition is the **second highest recognition level** by the State of Texas for performance excellence across sectors
- **El Paso is the largest local government** in Texas to undertake this comprehensive, international best practice criteria's at an organizational scale.
- Team El Paso was recognized for its well-deployed, **effective, and systematic approaches to organizational management** and for demonstrating improved performance
 - leadership, strategic planning, customer focus, measurement, analysis and knowledge management, workforce focus, and operations focus



Results

- State Hotel Convention Center Program
- \$32 million in State funding for Bridges Intelligent Transportation Projects
- MPO funding – 20% City, 80% State
- \$97 million in State funding for the Streetcar project
- \$2.0 million State Defense Economic Adjustment Assistance Grant (partnership with Enviro Water Minerals Company to convert waste generated from the desalination process into drinkable water)
- \$2.2 million in delinquent Hotel Occupancy Taxes collected through new audits

Questions